



RESOLUTION

URGING THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION TO PROVIDE ASSURANCE TO THE COUNCIL THAT THE CONTRACT FOR THE PUBLIC PRIVATE PARTNERSHIP FOR HONOLULU'S RAIL PROJECT WILL BE PROVIDED TO THE COUNCIL FOR APPROVAL PRIOR TO EXECUTION.

WHEREAS, Section 1-8.6, Revised Ordinances of Honolulu ("ROH"), requires that "any agreements or amendments to agreements concerning the Honolulu High Capacity Transit Corridor Project that place an obligation on the city (other than HART or the board of water supply) will require prior council consent and approval"; and

WHEREAS, pursuant to Sections 6-1703 and 16-132, Revised Charter of the City and County of Honolulu 1973 (2017 Edition), on July 1, 2017, all responsibilities regarding the operation and maintenance of the Honolulu High-Capacity Transit Corridor Project ("Rail Project") were transferred from the Honolulu Authority for Rapid Transportation ("HART") to the City's Department of Transportation Services; and

WHEREAS, on October 11, 2017, the City Council ("Council") adopted Resolution 17-263, CD1, which urged the City Administration and HART to utilize a Public Private Partnership ("P-3") to fund improvements for the minimum operable segment of the Rail Project; and

WHEREAS, on May 24, 2018, HART's P-3 consultant, Ernst & Young Infrastructure Advisors ("EYIA"), presented findings from its P-3 Commercial Viability Analysis to the Council's Transportation Committee; and

WHEREAS, EYIA evaluated P-3 options such as Design-Build-Finance, Design-Build-Finance-Maintain, and Design-Build-Finance-Operate-Maintain ("DBFOM") and reported that the DBFOM option offers cost and schedule benefits, incentivizes long-term, high-quality system performance, and enhances opportunities for cost containment and innovation; and

WHEREAS, on July 11, 2018, the Council adopted Resolution 18-139, CD1, FD1, which expressed support for HART's efforts to pursue a P-3 for the Rail Project, specifically, the DBFOM option as recommended by the EYIA; and

WHEREAS, on September 27, 2018, the HART Board approved the use of a P-3 to design, build, and finance the remainder of the fixed guideway for the Rail Project and to operate and maintain the fixed guideway system; and



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WHEREAS, on September 28, 2018, HART and the City issued the Request for Proposals ("RFP"), part one, soliciting potential P-3 partners to submit qualifications to complete the City Center Guideway and Stations and the Pearl Highlands Transit Center and Garage, and for the long-term operations and maintenance of the Rail Project; and

WHEREAS, on April 12, 2019, the qualifications from the potential P-3 partners were due; and

WHEREAS, HART anticipates that the contract for the P-3 for the Rail Project will be awarded in or around December 2019; and

WHEREAS, because the contract for the P-3 for the Rail Project will place an obligation on the City to pay the P-3 partner for the operations and maintenance of the Rail Project, ROH Section 1-8.6 requires Council approval of the contract prior to execution; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it urges the Honolulu Authority for Rapid Transportation to provide assurance to the Council that the contract for the public private partnership for the Honolulu High-Capacity Transit Corridor Project will be provided to the Council for approval prior to execution; and



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

No. 19-256

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BE IT FINALLY RESOLVED that a copy of this resolution be transmitted to the Mayor, the Director of Transportation Services, the Chair of the Board of the Honolulu Authority for Rapid Transportation, and the Executive Director and CEO of the Honolulu Authority for Rapid Transportation.

INTRODUCED BY:

Hildi Sunayati

DATE OF INTRODUCTION:

OCT 8 2019

Honolulu, Hawaii

Councilmembers